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# **Tobin & Co.**

Paradise Township

Grand Traverse County, Michigan

Audit Report

For the Year Ended March 31, 2007

## Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input checked="" type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name <b>Paradise Township</b>	County <b>Grand Traverse</b>
Fiscal Year End <b>3/31/07</b>	Opinion Date <b>9/26/07</b>	Date Audit Report Submitted to State <b>9/28/07</b>	

We affirm that:

We are certified public accountants licensed to practice in Michigan.

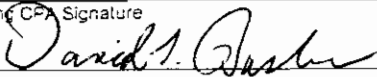
We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

YES ☒ NO ☐ Check each applicable box below. (See instructions for further detail.)

1. ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2. ☒ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3. ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4. ☒ ☐ The local unit has adopted a budget for all required funds.
5. ☒ ☐ A public hearing on the budget was held in accordance with State statute.
6. ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7. ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8. ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
9. ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
10. ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11. ☐ ☒ The local unit is free of repeated comments from previous years.
12. ☒ ☐ The audit opinion is UNQUALIFIED.
13. ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14. ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
15. ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)	
Financial Statements	<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations	<input checked="" type="checkbox"/>		
Other (Describe)	<input type="checkbox"/>		
Certified Public Accountant (Firm Name) <b>Tobin &amp; Co., P.C.</b>		Telephone Number <b>231-947-0151</b>	
Street Address <b>400 E. Eighth St.</b>		City <b>Traverse City</b>	State <b>MI</b>
Authorizing CPA Signature 		Printed Name <b>DAVID L. BASLER</b>	Zip <b>49686</b>
		License Number <b>1101013418</b>	

# Tobin & Co.

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INTRODUCTORY SECTION

# **Tobin & Co.**

## Comments and Recommendations

We have audited the basic financial statements of Paradise Township, Grand Traverse County, for the year ended March 31, 2007 and have issued our report thereon. As part of our examination, we made a study and evaluation of the Township's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the Township's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

Our study and evaluation made for the limited purpose described above would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal control of Paradise Township taken as a whole. As a result of our examination, we respectfully submit the following comments and recommendations.

### General

The clerk's accounting records were improved and we were able to audit those records. Recorded revenues were deposited timely and intact. Board minutes were in good order, and supporting documents and follow-up procedures appeared to be in good order.

We did note shortcomings in the maintenance of these records and in a separate management letter, we have detailed these shortcomings and suggested measures which, if adopted, will improve the accounting records and internal controls.

### Budgets and Procedures

The Township prepared and formally adopted budgets for its General Fund, however, while certain budgets were prepared, appropriate budgets were not adopted for its Special Revenue Funds.

### General Fund

The General Fund is presented on Schedule 1. The fund balance at March 31, 2007 was \$197,620, an increase of \$22,562 from the prior year.

### Fire Fund

This fund, presented in Schedule 2, is used to account for a voted tax levy for fire protection. Revenues consisted primarily of property taxes. The fund balance at March 31, 2007 was \$86,536, an increase of \$11,001 from the prior year.

### Ambulance Fund

The ambulance fund, presented in Schedule 3, is used to account for a voted tax levy for ambulance services. The fund balance at March 31, 2007 was \$16,644, an increase of \$6,317 from the prior year.

### Property Tax Administration Fees

A 1% property tax administration fee is authorized by statute to offset such property tax administration costs as assessing, collecting, and the review and appeal process. Paradise Township levied this fee on its 2006 property taxes. For the audit year, costs exceed these fees.

### Property Tax Collections

Property taxes were distributed to taxing units in a timely fashion as required by law. Receipts were filed in order of payment, and supported by computer printouts. Deposits were timely and intact.

Schedule 6 reflects the amount levied, collected, and returned delinquent for the 2006 property tax levy.

# **Tobin & Co.**

## Comments and Recommendations

### Insurance and Surety Bond Coverage

Records reflect that the Township is insured through Municipal Underwriters of Michigan and has such coverage as fire and extended coverage, general liability, equipment, errors and omissions, crime and workmen's compensation. Coverage was reviewed during the audit year. The Clerk, Treasurer, Deputy Clerk, Deputy Treasurer, and Supervisor have surety bond coverage.

### Payroll Procedures

The Clerk observes federal and State guidelines in the withholding of income taxes and social security. Withholdings were paid over in a timely manner, required reports were filed, and forms W-2 were issued to employees at calendar year end. Payroll records were maintained in good order.

### Other Data

After completion of our audit, we will submit the necessary copies of our report to the State Department of Treasury.

We appreciate the courtesy extended our field auditors in the conduct of this audit.

Your confidence is respected. Please contact us if questions arise or assistance is needed.

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## FINANCIAL SECTION

# Tobin & Co.

## REPORT OF INDEPENDENT AUDITOR

To the Township Board  
Paradise Township  
Grand Traverse County  
Kingsley, Michigan 49649

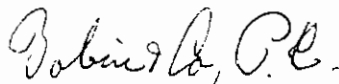
We have audited the accompanying financial statements of the governmental activities and each major fund, and the aggregate of remaining fund information of Paradise Township as of and for the year ended March 31, 2007, which collectively comprise the Township's basic financial statements, as listed in the Table of Contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate of remaining fund information of Paradise Township at March 31, 2007, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by the GASB. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Table of Contents are presented for the purposes of additional analysis and are not a required part of the basic financial statements of Paradise Township. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.



TOBIN & CO., P.C.  
Certified Public Accountants  
September 26, 2007

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## PARADISE TOWNSHIP MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Paradise Township's annual report presents our discussion and analysis of the Township's financial performance during the fiscal year ended March 31, 2007. Please read it in conjunction with the financial statements, which immediately follow this section.

### Financial Highlights

The assets of Paradise Township exceeded its liabilities at the close of the most recent fiscal year by \$855,413. Of this amount, \$334,541 may be used to meet the Township's ongoing obligations to citizens and creditors.

As of the close of the current fiscal year, Township's governmental funds reported combined ending fund balances of \$331,518, an increase of \$42,588 in comparison with the prior year. The total amount is available for spending at the Township's discretion.

At the end of the current fiscal year, unreserved fund balance for the general fund was \$197,620, or 60% of total general fund expenditures.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Paradise Township's basic financial statements. The Township's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information, in addition to the basic financial statements themselves.

#### 1. Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Township's finances, in a manner similar to a private-sector business.

The **statement of net assets** presents information on all of the Township's assets and liabilities, with the difference between the two reported as **net assets**. Over time, increases or decreases in net assets may serve as a useful indicator of whether the Township's financial position is improving or deteriorating.

The **statement of activities** presents information showing how the Township's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned but unused credits, and used but not paid expenses).

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (**governmental activities**) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (**business-type activities**). The governmental activities of the Township include: General Government, Public Safety, Road Projects, and Parks and Recreation. Paradise Township does not have any business-type activities (examples would include water and sewer, golf courses, cemeteries, etc.).

#### 2. Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Paradise Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Paradise Township are categorized as governmental funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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Paradise Township maintains five individual governmental funds. Information is presented separately for the major funds in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Fire Fund, and Ambulance Funds.

The Township adopts an annual appropriated budget for its general fund, and special revenue funds. A budgetary comparison statement has been provided for the general fund and other major funds to demonstrate compliance with this budget.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial resources because the resources of those funds are not available to support the Township's own programs.

The basic Fiduciary fund financial statements can be found on page 15 of this report.

### 3. Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

#### General Fund Analysis and Highlights

The General Fund revenues and expenditures remain consistent with previous years.

#### Condensed Financial Information

##### Net Assets

##### Governmental and Total Activities

	<u>3/31/07</u>	<u>3/31/06</u>
Current Assets	\$ 339,059	\$ 294,001
Capital Assets	<u>520,872</u>	<u>475,947</u>
Total Assets	859,931	769,948
Current Liabilities	<u>4,518</u>	<u>2,048</u>
Total Liabilities	<u>4,518</u>	<u>2,048</u>
Net Assets:		
Investment in Capital and Intangible Assets, net of Related Debt	520,872	475,947
Restricted	103,180	85,862
Unrestricted	<u>231,361</u>	<u>206,091</u>
Total Net Assets	<u>\$ 855,413</u>	<u>\$ 767,900</u>

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## Activities

### Governmental and Total Activities

	<u>3/31/07</u>	<u>3/31/06</u>
Program Revenues:		
Charges for Services	\$ 24,256	\$ 76,698
Operating Grants	7,685	11,690
General Revenues:		
Property Taxes	319,996	300,355
State Shared Revenues	185,725	183,840
Other	<u>23,463</u>	<u>3,068</u>
Total Revenues	<u>561,125</u>	<u>575,651</u>
Expenses:		
Legislative	56,435	56,442
General Government	155,351	133,999
Public Safety	234,441	189,656
Public Works	556	27,856
Recreation and Cultural	26,829	18,747
Debt Service	-	<u>1,506</u>
Total Expenses	<u>473,612</u>	<u>428,206</u>
Change in Net Assets	<u>\$ 87,513</u>	<u>\$ 147,445</u>

## Capital Asset and Debt Administration

### Capital Assets

The Township's net investment in capital and intangible assets for its governmental activities as of March 31, 2007, amounts to \$520,872. This investment in capital assets includes: various parcels of land, buildings, park facilities and equipment, and office equipment and computers. All of our government funds report capital outlays as expenditures. However, the cost of the assets is allocated over their useful lives.

### Cash Assets

At the end of the current fiscal year, the Township had \$295,894 in cash and other spendable assets. The Township is limited by State law in how it can invest these funds and we have made no changes in our investment strategy in several years.

### Long-term Debt

At the end of the current fiscal year, the Township had no long-term debt outstanding. No new debt was incurred during the fiscal year.

### Pension Plan

The Township makes pension contributions based on each employee's base salary to John Hancock Insurance Co. on behalf of each participating employee. This is an expensed item in the budget and totaled \$7,767 for the fiscal year.

### Currently Known Factors Affecting Future Operations

In the future, the Township hopes to build a trash compactor station and a new fire station.

### Requests for Information

This financial report is designed to provide a general overview of Paradise Township's finances for all those with an interest in the Township's finances and to demonstrate the Township's accountability for the revenues it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Marie Dean, Paradise Township Supervisor at 2300 E. M-113, Kingsley, MI 49649.

# Tobin & Co.

## Paradise Township Statement of Net Assets March 31, 2007

### Governmental Activities And Total

#### Assets

Cash and Cash Equivalents	\$ 295,894
Accounts Receivable, Net	4,347
Taxes Receivable - Current	36,795
Due from Other Funds	2,023
Capital Assets:	
Land	4
Other Capital Assets, Net of Depreciation	<u>520,868</u>
Total Assets	<u>859,931</u>

#### Liabilities

Accounts Payable and Accrued Expenses	<u>4,518</u>
Total Liabilities	<u>4,518</u>

#### Net Assets

Invested in Capital and Intangible Assets, Net of Related Debt	520,872
Restricted	103,180
Unrestricted	<u>231,361</u>
Total Net Assets	<u>\$ 855,413</u>

See Accompanying Notes to Basic Financial Statements

# Tobin & Co.

## Paradise Township Statement of Activities March 31, 2007

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>		Net (Expenses) Revenue and Changes in
		<u>Fees and Charges For Services</u>	<u>Operating Grants and Contributions</u>	<u>Net Assets Governmental Activities and Total</u>
Governmental Activities:				
Legislative	\$ 56,435	\$ -	\$ -	\$ (56,435)
General Government	155,351	16,912	-	(138,439)
Public Safety	234,441	2,645	-	(231,796)
Public Works	556	-	7,685	7,129
Recreation and Cultural	<u>26,829</u>	<u>4,699</u>	<u>-</u>	<u>(22,130)</u>
Total Governmental Activities	<u>\$ 473,612</u>	<u>\$ 24,256</u>	<u>\$ 7,685</u>	<u>(441,671)</u>
General Revenues:				
Taxes				319,996
State Grants				185,725
Investment Earnings				6,440
Miscellaneous				<u>17,023</u>
Total General Revenues				529,184
Change in Net Assets				87,513
Net Assets – Beginning				<u>767,900</u>
Net Assets – Ending				<u>\$ 855,413</u>

See Accompanying Notes to Basic Financial Statements

# Tobin & Co.

## Paradise Township Balance Sheet Governmental Funds March 31, 2007

	<u>General Fund</u>	<u>Fire Fund</u>	<u>Ambulance Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>					
Cash and Cash Equivalents	\$ 183,691	\$ 75,510	\$ 5,975	\$ 30,718	\$ 295,894
Accounts Receivable, Net	4,347	-	-	-	4,347
Taxes Receivable - Current	13,236	11,973	11,586	-	36,795
Due from Other Funds	<u>2,023</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,023</u>
Total Assets	<u>\$ 203,297</u>	<u>\$ 87,483</u>	<u>\$ 17,561</u>	<u>\$ 30,718</u>	<u>\$ 339,059</u>
<u>Liabilities and Fund Equity</u>					
Liabilities:					
Accounts Payable	\$ 4,518	\$ -	\$ -	\$ -	\$ 4,518
Deferred Revenue	<u>1,159</u>	<u>947</u>	<u>917</u>	<u>-</u>	<u>3,023</u>
Total Liabilities	<u>5,677</u>	<u>947</u>	<u>917</u>	<u>-</u>	<u>7,541</u>
Fund Equity:					
Fund Balance – Reserved	-	-	-	-	-
Fund Balance – Unreserved	<u>197,620</u>	<u>86,536</u>	<u>16,644</u>	<u>30,718</u>	<u>331,518</u>
Total Fund Balances	<u>197,620</u>	<u>86,536</u>	<u>16,644</u>	<u>30,718</u>	<u>331,518</u>
Total Liabilities and Fund Equity	<u>\$ 203,297</u>	<u>\$ 87,483</u>	<u>\$ 17,561</u>	<u>\$ 30,718</u>	
Amounts reported for governmental activities on the statement of net assets are different because:					
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.					520,872
Other long-term assets are not available to pay for current period expenditures and therefore are not reported in the funds.					<u>3,023</u>
Net assets of governmental activities.					<u>\$ 855,413</u>

See Accompanying Notes to Basic Financial Statements

# Tobin & Co.

## Paradise Township Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Year Ended March 31, 2007

	General Fund	Fire Fund	Ambulance Fund	Other Governmental Funds	Total Governmental Funds
<u>Revenues</u>					
Taxes	\$ 119,158	\$ 101,996	\$ 98,842	\$ -	\$ 319,996
Licenses and Permits	2,645	-	-	-	2,645
State Grants	193,410	-	-	-	193,410
Charges for Services	7,162	-	-	4,699	11,861
Interest and Rents	14,595	966	-	629	16,190
Other	14,143	-	-	2,880	17,023
<b>Total</b>	<b>351,113</b>	<b>102,962</b>	<b>98,842</b>	<b>8,208</b>	<b>561,125</b>
<u>Expenditures</u>					
Legislative	56,006	-	-	-	56,006
General Government	108,551	-	-	4,105	112,656
Public Safety	36,004	100,961	97,525	-	234,490
Public Works	556	-	-	-	556
Recreation and Cultural	12,685	-	-	3,395	16,080
Other	25,854	-	-	-	25,854
Capital Outlay	72,895	-	-	-	72,895
<b>Total</b>	<b>312,551</b>	<b>100,961</b>	<b>97,525</b>	<b>7,500</b>	<b>518,537</b>
<u>Excess Revenues (Expenditures)</u>	<u>38,562</u>	<u>2,001</u>	<u>1,317</u>	<u>708</u>	<u>42,588</u>
<u>Other Financing Sources (Uses)</u>					
Operating Transfers In	-	9,000	5,000	2,000	16,000
Operating Transfers (Out)	(16,000)	-	-	-	(16,000)
<b>Total</b>	<b>(16,000)</b>	<b>9,000</b>	<b>5,000</b>	<b>2,000</b>	<b>-</b>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>22,562</u>	<u>11,001</u>	<u>6,317</u>	<u>2,708</u>	<u>42,588</u>
Fund Balance – Beginning of Year	175,058	75,535	10,327	28,010	
Fund Balance – End of Year	\$ 197,620	\$ 86,536	\$ 16,644	\$ 30,718	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.					44,925
Changes in net assets of governmental activities.					\$ 87,513

See Accompanying Notes to Basic Financial Statements

# Tobin & Co.

## Paradise Township Statement of Fiduciary Net Assets March 31, 2007

Assets	Agency Funds
Cash and Investments	\$ 2.020
Total Assets	2.020
Liabilities	
Due to Other Funds	2.020
Total Liabilities	2.020
Net Assets	\$ -

See Accompanying Notes to Basic Financial Statements

# Tobin & Co.

## Paradise Township Notes to Financial Statements March 31, 2007

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

Paradise Township is a general law township located in Grand Traverse County. Population as of the 2000 census was 4,191, and the current state equalized valuation for taxable property is \$155,834,900. Taxable valuation is \$102,498,866.

The Township's basic financial statements include the accounts of all Township operations. The criteria for including organizations within the Township's reporting entity, as set forth in GASB No. 14, "*The Financial Reporting Entity*" includes oversight responsibility, fiscal dependency and whether the financial statements would be misleading if data were not included.

Based on the above criteria, there are no other organizations included in these financial statements.

#### B. Basis of Presentation

The government-wide financial statements (the statement of net assets and the statement of activities) report information on all of the activities of the Township. The effect of interfund activity, within the governmental activities column, has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

#### Fund Financial Statements:

The Township segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The Township has presented the following governmental funds:

General Fund – This fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the Township. Revenues are derived primarily from property taxes, state distributions or grants, and other intergovernmental revenues.

Special Revenue Funds – These funds are used to account for specific governmental revenues (other than expendable trusts and major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

#### Fiduciary Funds

These funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

# Tobin & Co.

## Paradise Township Notes to Financial Statements March 31, 2007

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### C. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net assets and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Governmental fund and agency fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Township considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

The revenue susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income and intergovernmental revenues. All other governmental fund revenues are recognized when received.

#### D. Budgets

The General Fund and Special Revenue Funds are under formal budgetary control. Budgets shown in the required supplementary schedules for these funds were prepared on a basis not significantly different from the modified accrual basis used to reflect actual results and consist only of those amounts contained in the formal budget approved and amended by the Township.

In the body of the financial statements and the required supplementary schedules, the Township's actual and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets for these funds were adopted to the activity or cost center level.

For budgetary purposes appropriations lapse at fiscal year end.

#### E. Capital Assets

Capital assets, which includes property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest is capitalized during the construction period on property, plant and equipment.

# Tobin & Co.

## Paradise Township Notes to Financial Statements March 31, 2007

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### E. Capital Assets (Continued)

Assets capitalized have an original cost of \$1,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	50 years
Buildings and Land Improvements	20 years
Public Domain Infra-structure	50 years
Equipment	10 years
Vehicles	10 years
Computer Equipment	5 years

#### F. Property Tax Procedures and Collections

Properties are assessed as of December 31 and the related property taxes become a lien the following July 1 and/or December 1. Real property taxes are collected by the Township Treasurer through February 28 of each year. As of March 1, uncollected real property taxes are returned delinquent to, and collected by, the County Treasurer. Personal property taxes remain the responsibility of the Township Treasurer to collect. It is the policy of the Township to record the real property taxes in the year of levy.

During the collection period prior to March 1, the Township Treasurer makes distribution of the property tax collections to the various taxing units (County, School District, etc.) as required by statute.

For the fiscal year the Township levied property taxes as follows:

	SEV	Taxable Value	Millage Rate
General Operating	\$155,834,900	\$102,498,866	.8271
Fire Protections	\$155,834,900	\$102,498,866	1.0700
Ambulance	\$155,834,900	\$102,498,866	.9702

#### G. Investments

Township investments at March 31, 2007 consisted of bank money market accounts composed of investment vehicles which are legal for direct investments by local units of government in Michigan. These are reported as cash in bank on the Township balance sheet.

#### H. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- A. We noted no violations of legal provisions and/or contractual provisions of various agreements related to financial matters.
- B. All funds had positive fund balances at March 31, 2007.

# Tobin & Co.

## Paradise Township Notes to Financial Statements March 31, 2007

### NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

- C. Public Act 621 of 1978, Section 18, provides that a local unit shall not incur expenditures in excess of the amount appropriated. During the year ended March 31, 2007, the Township incurred expenditures in excess of amounts appropriated without formal budget amendment by the Board as follows:

General Fund – Employee Benefits and Insurance	\$ 854
Fire Fund – Contractual Services	\$ 95,961
Ambulance Fund – Contractual Services	\$ 92,525

### NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS

#### A. Legal Provisions for Deposits and Investments

Act 20, Public Acts of 1943, as amended by Act 217, Public Acts of 1982, and Act 196, Public Acts of 1997, states that the Township, by resolution, may authorize the Treasurer to invest surplus funds as follows:

- (1) In bonds and other direct obligations of the United States or an agency or instrumentality of the United States.
- (2) In certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation or a credit union which is insured by the National Credit Union Administration, but only if the bank, savings and loan association, or credit union complies with subsection (2).
- (3) In commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and which matures not more than 270 days after date of purchase.
- (4) Repurchase agreements consisting of instruments defined in (1) above.
- (5) In bankers' acceptances of United States Banks.
- (6) Obligations of the State of Michigan or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.
- (7) In mutual funds registered under the investment company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by local units of government in Michigan.

#### B. Types of Deposits and Investments

The Township had \$308,776 deposited with a local financial institution at March 31, 2007 with a carrying value of \$297,914. Interpreting the FDIC insurance coverage of \$100,000 of demand deposits and \$100,000 of time deposits per financial institution, the Township had \$82,591 of uninsured deposits at March 31, 2007.

### NOTE 4 - RECEIVABLES

\$36,795 of accounts receivable of governmental activities represent delinquent property taxes due at March 31, 2007.

\$4,347 of accounts receivable of governmental activities represent delinquent swamp tax at March 31, 2007.

# Tobin & Co.

## Paradise Township Notes to Financial Statements March 31, 2007

### NOTE 5 - CAPITAL/INTANGIBLE ASSETS

	<u>3/31/06</u>	<u>Additions</u>	<u>Deletions</u>	<u>3/31/07</u>
Governmental Activities:				
Land and Improvements	\$ 193,613	\$ -	\$ -	\$ 193,613
Buildings and Improvements	435,290	56,769	-	492,059
Machinery and Equipment	<u>69,629</u>	<u>16,126</u>	<u>-</u>	<u>85,755</u>
Total	698,532	72,895	-	771,427
Less Accumulated Depreciation	<u>(222,585)</u>	<u>(27,970)</u>	<u>-</u>	<u>(250,555)</u>
Governmental Activities Capital Assets, Net	<u>\$ 475,947</u>	<u>\$ 44,925</u>	<u>\$ -</u>	<u>\$ 520,872</u>

### NOTE 6 - INVENTORIES

Paradise Township does not maintain a substantial inventory of supplies or materials. Purchases are normally made as needed, and the items are recorded as expenses when purchased.

### NOTE 7 - PENSION PLAN

The Township adopted a defined contribution pension plan on August 1, 1968. The plan is administered by the Township treasurer. The plan covers all salaried employees. To be eligible for the plan, the participant must have attained age 18. Benefits attributable to employer contributions are 100% vested immediately. Contributions to the plan follow a predetermined schedule and are based on annual compensation. The Township pays 75% of the contribution and each participant pays 25%. In addition, participants are allowed to make voluntary after-tax contributions in amounts ranging from 1% to 10% of compensation. Total covered payroll for the fiscal year was \$99,851 and total wages including non-covered wages was \$111,702. The Township's pension contribution for the 2006-2007 year was \$7,767.

### NOTE 8 - PROPERTY TAX ADMINISTRATION FEES

As permitted by statute, the Township levied a 1% administration fee on all 2006 property taxes. This fee may be used only to offset such property tax administration expenses as assessing, collecting, and the review and appeal process. The Township had excess costs for the audit year and is in compliance with statutory requirements.

### NOTE 9 - COMPENSATED ABSENCES

The Township provides no payment to employees for unused sick leave, accumulated leave, etc.

### NOTE 10 - CONTINGENT LIABILITIES

Township officials are aware of no contingent liabilities as of March 31, 2007.

### NOTE 11 - RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the audit year the Township addressed these risks through the purchase of commercial insurance through Municipal Underwriters of Michigan. There was no significant reduction of insurance coverage from prior years nor have the amounts of any settlements exceeded insurance coverage in any of the past three fiscal years.

SUPPLEMENTAL DATA SECTION

# Tobin & Co.

Paradise Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
General Fund  
For the Year Ended March 31, 2007

Schedule 1  
Page 1

	<u>Budgetary Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Favorable</u> <u>(Unfavorable)</u>
<u>Revenues</u>				
Taxes:				
Property Taxes	\$ 95,000	\$ 95,000	\$ 81,460	\$ (13,540)
Penalties and Interest on Taxes	-	-	1,743	1,743
Property Tax Administration Fees	-	-	31,453	31,453
Swamp Tax	-	-	4,347	4,347
Commercial Forest Reserve	-	-	155	155
Licenses and Permits:				
Zoning	2,800	2,800	2,645	(155)
State Grants:				
State Shared Revenues	180,000	180,000	185,725	5,725
Metro Act	25,900	25,900	7,685	(18,215)
Charges for Services:				
Summer Tax Collection	7,000	7,000	6,140	(860)
Fees	1,200	1,200	975	(225)
Sales	-	-	47	47
Interest and Rents:				
Interest	1,334	1,334	4,845	3,511
Rents	-	-	9,750	9,750
Other:				
Miscellaneous	<u>20,000</u>	<u>20,000</u>	<u>14,143</u>	<u>(5,857)</u>
Total Revenues	<u>333,234</u>	<u>333,234</u>	<u>351,113</u>	<u>17,879</u>
<u>Expenditures</u>				
Legislative:				
Township Board:				
Salaries and Wages	-	-	27,046	-
Education	-	-	210	-
Office Supplies	-	-	2,926	-
Legal and Accounting	-	-	10,716	-
Membership and Dues	-	-	5,256	-
Transportation and Travel	-	-	777	-
Community Promotion	-	-	1,006	-
Repairs and Maintenance	-	-	4,604	-
Printing and Publishing	-	-	2,181	-
Other	<u>-</u>	<u>-</u>	<u>1,284</u>	<u>-</u>
Total	<u>90,000</u>	<u>90,000</u>	<u>56,006</u>	<u>33,565</u>
Total Legislative	<u>90,000</u>	<u>90,000</u>	<u>56,006</u>	<u>33,565</u>
General Government:				
Township Supervisor:				
Salaries and Wages	-	-	15,520	-
Transportation and Travel	-	-	1,119	-
Office Supplies	-	-	158	-
Education and Training	<u>-</u>	<u>-</u>	<u>365</u>	<u>-</u>
Total	<u>20,000</u>	<u>20,000</u>	<u>17,162</u>	<u>2,838</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

## Paradise Township Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual General Fund For the Year Ended March 31, 2007

Schedule 1  
Page 2

	<u>Budgetary Amounts</u>		<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Expenditures (Continued)</u>	<u>Original</u>	<u>Final</u>		
General Government (Continued):				
Elections:				
Salaries and Wages	-	-	3,080	-
Supplies and Postage	-	-	750	-
Transportation and Travel	-	-	324	-
Printing and Publishing	-	-	382	-
Total	<u>8,000</u>	<u>8,000</u>	<u>4,536</u>	<u>3,464</u>
Assessor:				
Salaries and Wages	-	-	23,696	-
Office Supplies	-	-	2,641	-
Printing and Publishing	-	-	472	-
Total	<u>30,000</u>	<u>30,000</u>	<u>26,809</u>	<u>3,191</u>
Clerk:				
Salaries and Wages	-	-	14,790	-
Office Supplies and Postage	-	-	1,003	-
Education	-	-	555	-
Transportation and Travel	-	-	925	-
Miscellaneous	-	-	191	-
Total	<u>20,000</u>	<u>20,000</u>	<u>17,464</u>	<u>2,536</u>
Board of Review:				
Salaries and Wages	-	-	530	-
Education and Training	-	-	140	-
Transportation and Travel	-	-	36	-
Supplies	-	-	160	-
Total	<u>1,000</u>	<u>1,000</u>	<u>866</u>	<u>134</u>
Treasurer:				
Salaries and Wages	-	-	19,205	-
Supplies and Postage	-	-	2,953	-
Education	-	-	295	-
Transportation and Travel	-	-	1,224	-
Total	<u>25,000</u>	<u>25,000</u>	<u>23,677</u>	<u>1,323</u>
Township Office:				
Supplies	-	-	192	-
Contractual Services	-	-	3,352	-
Communication	-	-	2,492	-
Public Utilities	-	-	7,461	-
Maintenance and Repairs	-	-	3,052	-
Total	<u>20,000</u>	<u>20,000</u>	<u>16,549</u>	<u>3,451</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

## Paradise Township Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual General Fund For the Year Ended March 31, 2007

Schedule 1  
Page 3

	<u>Budgetary Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures (Continued)</u>				
General Government (Continued):				
Cemetery:				
Contractual Services	-	-	1,000	-
Maintenance and Repairs	-	-	488	-
Total	<u>3,500</u>	<u>3,000</u>	<u>1,488</u>	<u>1,512</u>
Total General Government	<u>127,500</u>	<u>127,000</u>	<u>108,551</u>	<u>18,449</u>
Public Safety:				
Planning Commission:				
Salaries and Wages	-	-	2,270	-
Office Supplies	-	-	112	-
Contractual Services	-	-	2,048	-
Travel and Education	-	-	1,038	-
Other	-	-	499	-
Total	<u>10,000</u>	<u>10,000</u>	<u>5,967</u>	<u>4,033</u>
Zoning Board of Appeals:				
Salaries and Wages	-	-	340	-
Printing and Publishing	-	-	89	-
Total	<u>500</u>	<u>500</u>	<u>429</u>	<u>71</u>
Zoning:				
Salaries and Wages	-	-	26,844	-
Supplies	-	-	1,259	-
Transportation and Travel	-	-	1,155	-
Education and Training	-	-	350	-
Total	<u>30,000</u>	<u>30,000</u>	<u>29,608</u>	<u>392</u>
Total Public Safety	<u>40,500</u>	<u>40,500</u>	<u>36,004</u>	<u>4,496</u>
Public Works:				
Roads:				
Maintenance and Repairs	-	-	556	-
Total	<u>90,000</u>	<u>94,300</u>	<u>556</u>	<u>93,744</u>
Total Public Works	<u>90,000</u>	<u>94,300</u>	<u>556</u>	<u>93,744</u>
Recreation and Culture:				
Lakes and Parks:				
Maintenance and Repairs	-	-	12,685	-
Total	<u>13,000</u>	<u>13,000</u>	<u>12,685</u>	<u>315</u>
Total Recreation and Culture	<u>13,000</u>	<u>13,000</u>	<u>12,685</u>	<u>315</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Paradise Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
General Fund  
For the Year Ended March 31, 2007

Schedule 1  
Page 4

	<u>Budgetary Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures (Continued)</u>				
Other:				
Employee Benefits and Insurance	<u>25,000</u>	<u>25,000</u>	<u>25,854</u>	<u>(854)</u>
Total Other	<u>25,000</u>	<u>25,000</u>	<u>25,854</u>	<u>(854)</u>
Capital Outlay	<u>77,000</u>	<u>83,500</u>	<u>72,895</u>	<u>10,605</u>
Contingencies	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>7,000</u>
Total Expenditures	<u>470,000</u>	<u>480,300</u>	<u>312,551</u>	<u>156,606</u>
Excess Revenues (Expenditures)	<u>(136,755)</u>	<u>(147,066)</u>	<u>38,562</u>	<u>185,628</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Transfers (Out)	<u>(10,000)</u>	<u>(16,000)</u>	<u>(16,000)</u>	<u>-</u>
Total	<u>(10,000)</u>	<u>(16,000)</u>	<u>(16,000)</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ (146,766)</u>	<u>\$ (1)(163,066)</u>	<u>22,562</u>	<u>\$ 185,628</u>
Fund Balance – Beginning of Year			<u>175,058</u>	
Fund Balance – End of Year			<u>\$ 197,620</u>	
(1) Budgeted from Fund Balance				

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Paradise Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Fire Fund  
For the Year Ended March 31, 2007

Schedule 2

	<u>Budgetary Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes:				
Property Taxes	\$ -	\$ -	\$ 101,996	\$ 101,996
Interest and Rents:				
Interest	-	-	966	966
Total	-	-	102,962	102,962
<u>Expenditures</u>				
Contractual Services	-	-	100,961	-
Total	5,000	5,000	100,961	(95,961)
Excess Revenues (Expenditures)	(5,000)	(5,000)	2,001	7,001
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	-	-	9,000	9,000
Operating Transfers (Out)	-	-	-	-
Total	-	-	9,000	9,000
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ (5,000)</u>	<u>\$ (5,000)</u>	11,001	<u>\$ 16,001</u>
Fund Balance – Beginning of Year			75,535	
Fund Balance – End of Year			<u>\$ 86,536</u>	

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Paradise Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Ambulance Fund  
For the Year Ended March 31, 2007

Schedule 3

	<u>Budgetary Amounts</u>		<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes:				
Property Taxes	\$ -	\$ -	\$ 98,842	\$ -
Total Revenues	-	-	98,842	98,842
<u>Expenditures</u>				
Public Safety:				
Contractual Services	-	-	97,525	-
Total Expenditures	5,000	5,000	97,525	(92,525)
Excess Revenues (Expenditures)	(5,000)	(5,000)	1,317	6,317
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	-	-	5,000	5,000
Operating Transfers (Out)	-	-	-	-
Total	-	-	5,000	5,000
<u>Excess Revenues (Expenditures) and</u> <u>Other Financing Sources (Uses)</u>	<u>\$ (5,000)</u>	<u>\$ (5,000)</u>	6,317	<u>\$ 11,317</u>
Fund Balance – Beginning of Year			10,327	
Fund Balance – End of Year			<u>\$ 16,644</u>	

The Notes to the Basic Financial statements are an integral part of this statement.

# Tobin & Co.

Paradise Township  
Combining Balance Sheet  
Non-Major Governmental Funds  
March 31, 2007

Schedule 4

	Special Revenue			
	Parks and Recreation Fund	Battalion #2 Fire Fund	Cemetery Fund	Total
<u>Assets</u>				
Cash and Cash Equivalents	\$ 7,888	\$ 3,668	\$ 19,162	\$ 30,718
Total	<u>\$ 7,888</u>	<u>\$ 3,668</u>	<u>\$ 19,162</u>	<u>\$ 30,718</u>
<u>Liabilities and Fund Equity</u>				
Liabilities:	\$ -	\$ -	\$ -	\$ -
Total	-	-	-	-
Fund Equity:				
Fund Balance – Unrestricted	7,888	3,668	19,162	30,718
Fund Balance – Restricted	-	-	-	-
Total	<u>7,888</u>	<u>3,668</u>	<u>19,162</u>	<u>30,718</u>
Total Liabilities and Fund Equity	<u>\$ 7,888</u>	<u>\$ 3,668</u>	<u>\$ 19,162</u>	<u>\$ 30,718</u>

The Notes to the Basic Financial statements are an integral part of this statement.

# Tobin & Co.

Paradise Township  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Non-Major Governmental Funds  
For the Year Ended March 31, 2007

Schedule 5

	Special Revenue			
	Parks and Recreation Fund	Battalion #2 Fire Fund	Cemetery Fund	Total
<u>Revenues</u>				
Charges for Services:				
Charges for Services	\$ 1,120	\$ -	\$ 3,579	\$ 4,699
Interest and Rents:				
Interest	84	-	545	629
Other:				
Donations	<u>2,880</u>	<u>-</u>	<u>-</u>	<u>2,880</u>
Total	<u>4,084</u>	<u>-</u>	<u>4,124</u>	<u>8,208</u>
<u>Expenditures</u>				
Cemetery	-	-	4,105	4,105
Parks and Recreation	<u>3,395</u>	<u>-</u>	<u>-</u>	<u>3,395</u>
Total	<u>3,395</u>	<u>-</u>	<u>4,105</u>	<u>7,500</u>
<u>Excess Revenues (Expenditures)</u>	<u>689</u>	<u>-</u>	<u>19</u>	<u>708</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	2,000	-	-	2,000
Operating Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>2,000</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>2,689</u>	<u>-</u>	<u>19</u>	<u>2,708</u>
Fund Balance – Beginning of Year	<u>5,199</u>	<u>3,668</u>	<u>19,143</u>	<u>28,010</u>
Fund Balance – End of Year	<u>\$ 7,888</u>	<u>\$ 3,668</u>	<u>\$ 19,162</u>	<u>\$ 30,718</u>

The Notes to the Basic Financial statements are an integral part of this statement.

# Tobin & Co.

Paradise Township  
2006 Property Tax Levy and Collections  
For the Year Ended March 31, 2007

Schedule 6

	<u>Millage Rate</u>	<u>Adjusted Levy</u>	<u>Collected</u>	<u>Returned Delinquent</u>
County	5.1267	\$ 507,774	\$ 459,311	\$ 48,463
Medical Care Facility	0.6785	67,187	59,708	7,479
BATA	0.3428	33,573	29,835	3,738
Commission on Aging	0.4890	49,434	43,989	5,445
Library	0.9827	97,278	86,449	10,829
Library Debt	0.2130	14,385	12,767	1,618
College	2.2320	221,093	196,480	24,613
College Debt	0.6000	73,858	65,673	8,185
State Education	6.0000	612,512	560,437	52,075
School District:				
Kingsley Operating	18.0000	489,486	415,432	74,054
Kingsley Debt	4.4000	409,583	363,713	45,870
Intermediate School District	2.9732	301,178	267,515	33,663
Township - General	0.8271	82,055	72,879	9,176
- Fire Protection	1.0700	102,380	90,922	11,458
- Ambulance	0.9702	99,215	88,128	11,087
Commercial Forest		<u>1,282</u>	<u>1,282</u>	<u>-</u>
Total		<u>\$ 3,162,273</u>	<u>\$ 2,814,520</u>	<u>\$ 347,753</u>
Percent of Levy Collected		89.00%		

The Notes to the Basic Financial Statements are an integral part of this statement.